

07-0065

OFFICIAL FILE  
ILLINOIS COMMERCE COMMISSION  
**FINANCIAL ANALYSIS DIVISION STAFF REPORT TO THE COMMISSION**

January 3, 2007

**SUBJECT:** Amendment of 83 Ill. Adm. Code 415, Uniform System of Accounts for Electric Utilities

Capsule Summary:

Staff recommends that the Commission enter an Order authorizing the submission of the first notice of the proposed amendments to 83 Ill. Adm. Code 415, Uniform System of Accounts for Electric Utilities (Part 415) as provided in Attachment A.

This Staff Report summarizes the changes proposed to Part 415.

Background:

The proposed amendments to Part 415 were distributed to all electric utilities operating in Illinois for comment by letters dated September 21, 2006 and October 20, 2006 from Theresa Ebrey. Comments were received from Commonwealth Edison Company regarding two typographical corrections. These corrections were accepted and incorporated into the changes proposed to Part 415.

Within Subpart A of Part 415, the current Uniform System Of Accounts (USOA) approved by the Illinois Commerce Commission adopts the Federal Energy Regulatory Commission (FERC) USOA codified as 18 CFR 101 as of August 8, 2003. Within Subpart B of Part 415, modifications from the FERC USOA are adopted to conform the Illinois USOA to Illinois regulatory policy. Each Section within Subpart B of Part 415 represents a deviation from the USOA adopted by FERC.

The proposed changes to Part 415 adopt the changes FERC approved in the following orders:

- 1) Order No. 634-A regarding the documentation requirements for entities that participated in cash management programs (Attachment B);
- 2) Order No. 668, on Accounting and Financial Reporting for Public Utilities Including RTOs. (Attachment C);

Proposed Revisions:

Adoption of 18 CFR 101 as of June 15, 2006

Adopting 18 CFR 101 as of June 15, 2006 will incorporate the most recent revisions by FERC into the Illinois USOA adopted August 8, 2003. FERC has entered 2 orders that make changes to the FERC USOA since August 8, 2003: FERC Order No. 634A in Docket Nos. RM02-14-000 and RM02-14-001, and FERC Order No. 668 in Docket No.

RM04-12-000. Order No. 634A modified certain aspects of the documentation requirements implemented in the Interim Rule for entities that participate in cash management programs and is summarized in Attachment B. Order No. 668 updated the accounting requirements for public utilities and licensees, including independent system operators and regional transmission organizations (collectively referred to as RTOs) and is summarized in Attachment C.

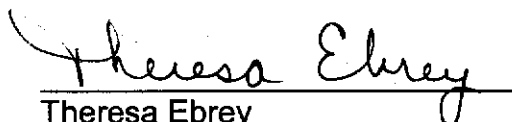
No company comments were received that disagreed with the adoption of 18 CFR 101 as of the date that FERC Order No. 668A became effective.

Recommendation:

Staff recommends that the Commission enter an Order authorizing the submission of the first notice of the proposed amendments to 83 Ill. Adm. Code 415 as provided in Attachment A.

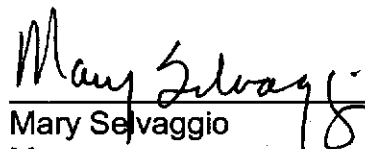
Staff recommends that Attachment A serve as the Appendix to an order that will both initiate the rulemaking proceeding and authorize the submission of the first notice of proposed amendments to the Illinois Secretary of State.

Prepared by:

  
Theresa Ebrey  
Accountant

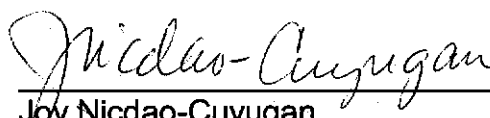
1/3/07  
Date

Reviewed by:

  
Mary Selvaggio  
Manager  
Accounting Department

1-3-07  
Date

Approved by,

  
Joy Nicdao-Cuyugan  
Director  
Financial Analysis Division

1/3/07  
Date

Attachment A: Proposed Changes to 83 Ill. Adm. Code 415

Attachment B: Changes to the FERC USOA resulting from Order No. 634A

Attachment C: Changes to the FERC USOA resulting from Order No. 668

**ATTACHMENT A**

**TITLE 83: PUBLIC UTILITIES  
CHAPTER I: ILLINOIS COMMERCE COMMISSION  
SUBCHAPTER c: ELECTRIC UTILITIES**

**PART 415  
UNIFORM SYSTEM OF ACCOUNTS FOR ELECTRIC UTILITIES**

**SUBPART A: GENERAL PROVISIONS AND ADOPTION OF  
CFR PROVISIONS BY REFERENCE**

SOURCE: Adopted July 14, 1960, effective January 1, 1962; old rules repealed, new rules adopted and codified at 8 Ill. Reg. 160, effective January 1, 1984; amended at 9 Ill. Reg. 4016, effective April 1, 1985; amended at 9 Ill. Reg. 13079, effective August 15, 1985; amended at 12 Ill. Reg. 11710, effective July 15, 1988; amended at 18 Ill. Reg. 10692, effective July 1, 1994; amended at 18 Ill. Reg. 17996, effective December 15, 1994; amended at 22 Ill. Reg. 6647, effective April 1, 1998; amended at 23 Ill. Reg. 6647, effective February 1, 1999; amended at 28 Ill. Reg. 334, effective December 31, 2003; amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

**SUBPART A: GENERAL PROVISIONS AND ADOPTION OF  
CFR PROVISIONS BY REFERENCE**

**Section 415.10 Adoption of 18 CFR 101 by Reference**

The Illinois Commerce Commission ("Commission") adopts 18 CFR 101, as of ~~June 15, 2006~~August 8, 2003, as its uniform system of accounts for electric utilities, subject to the exceptions set forth in Section 415.200 et seq. of this Part. No incorporation in this Part includes any later amendment or edition.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## **ATTACHMENT B**

### **Adoption of changes made by Order No. 634-A**

Specifically, FERC Order 634-A approved the following:

In part 101, Balance Sheet Accounts, account 146, paragraphs B(1), B(2) and B(4), and C(1) through C(4) are revised to read as follows:

#### **Balance Sheet Accounts**

146 Accounts receivable from associated companies.

- B. (1) For ~~each~~ deposits with and ~~each~~ withdrawals from the cash management program: the date of the deposit or withdrawal, the amount of the deposit or withdrawal, and the maturity date, if any, of the deposit, ~~and the interest earning rate on the deposit;~~  
(2) For each borrowings from a cash management program: the date of the borrowing, the amount of the borrowing, and the maturity date, if any, of the borrowing, ~~and the interest rate on the borrowing;~~  
  
(4) The ~~daily~~ monthly balance of the cash management program.
  
- C. (1) The duties and responsibilities of the administrator and ~~the other participants~~ the public utilities or licensees in the cash management program;  
(2) The restrictions on deposits or borrowings by ~~participants~~ public utilities or licensees in the cash management program;  
(3) The interest rate, including the method used to determine the interest earning rates and interest borrowing rates for deposits into and borrowings from the program; and  
(4) The method used to allocate interest income and expenses among ~~participants~~ public utilities or licensees in the program.

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

**Definitions**

Definitions 30-39 were redesignated as definitions 31-40 and a new definition 30, Regional market, was added:

30. Regional market means an organized energy market operated by a public utility, whether directly or through a contractual relationship with another entity.

**Balance Sheet Chart of Accounts**

Accounts 175, 176, 219, 230, 244, and 245 were added.

**ASSETS AND OTHER DEBITS**  
**3. CURRENT AND ACCRUED ASSETS**

175 Derivative instrument assets.

176 Derivative instrument assets-Hedges.

**LIABILITIES AND OTHER CREDITS**  
**5. PROPRIETARY CAPITAL**

219 Accumulated other comprehensive income.

**7. OTHER NONCURRENT LIABILITIES**

230 Asset retirement obligations.

**8. CURRENT AND ACCRUED LIABILITIES**

244 Derivatives instrument liabilities.

245 Derivative instrument liabilities-Hedges.

**Balance Sheet Accounts, Account 108, paragraph C**

108 Accumulated provision for depreciation of electric utility plant (Major only).

C. For general ledger and balance sheet purposes, this account shall be regarded and treated as a single composite provision for depreciation. For purposes of analysis, however, each utility shall maintain subsidiary records in which this account is segregated according to the following functional classification for electric plant: (1) Steam production, (2) Nuclear production, (3) Hydraulic production, (4) Other production, (5) Transmission, (6) Distribution, (7) Regional Transmission and Market Operation, and (8) General. These subsidiary records shall reflect the current credits and debits to this account in

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

sufficient detail to show separately for each such functional classification: (a) the amount of accrual for depreciation, (b) the book cost of property retired, (c) cost of removal, (d) salvage, and (e) other items, including recoveries from insurance. Separate subsidiary records shall be maintained for the amount of accrued cost of removal other than legal obligations for the retirement of plant recorded in Account 108, Accumulated provision for depreciation of electric utility plant (Major only).

**Electric Plant Chart of Accounts**

Accounts 317, 326, 337, 347, 359.1, and 374 and a new section 5 Regional Transmission Market Operation Plant with primary plant accounts 380-387 were added.

**2 PRODUCTION PLANT  
A. STEAM PRODUCTION**

317 Asset retirement costs for steam production plant.

**B. NUCLEAR PRODUCTION**

326 Asset retirement costs for nuclear production plant (Major only).

**C. HYDRAULIC PRODUCTION**

337 Asset retirement costs for hydraulic production plant.

**D. OTHER PRODUCTION**

347 Asset retirement costs for other production plant.

**3. TRANSMISSION PLANT**

359.1 Asset retirement costs for transmission plant.

**4. DISTRIBUTION PLANT**

374 Asset retirement costs for distribution plant.

**5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT**

380 Land and land rights.

381 Structures and improvements.

382 Computer hardware.

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

383 Computer software.

384 Communication Equipment.

385 Miscellaneous Regional Transmission and Market Operation Plant.

386 Asset Retirement Costs for Regional Transmission and Market  
Operation Plant.

387 [Reserved]

### **Electric Plant Accounts**

New primary plant accounts 380, 381, 382, 383, 384, 385, and 386 were added.

#### **380 Land and land rights.**

This account shall include the cost of land and land rights used in  
connection with regional transmission and market operations.

#### **381 Structures and improvements.**

This account shall include the cost in place of structures and  
improvements used for regional transmission and market operations.

#### **382 Computer hardware.**

This account shall include the cost of computer hardware and  
miscellaneous information technology equipment to provide scheduling, system  
control and dispatching, system planning, standards development, market  
monitoring, and market administration activities. Records shall be maintained  
identifying to the maximum extent practicable computer hardware owned and  
used for: (1) scheduling, system control and dispatching, (2) system planning and  
standards development, and (3) market monitoring and market administration  
activities.

#### **ITEMS**

1. Personal computers

2. Servers

3. Workstations

4. Energy Management System (EMS) hardware

5. Supervisory Control and Data Acquisition (SCADA) system  
hardware

6. Peripheral equipment

7. Networking components

#### **383 Computer software.**

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

This account shall include the cost of off-the-shelf and in-house developed software purchased and used to provide scheduling, system control and dispatching, system planning, standards development, market monitoring, and market administration activities. Records shall be maintained identifying to the maximum extent practicable the cost of software used for: (1) scheduling, system control and dispatching, (2) system planning and standards development, and (3) market monitoring and market administration activities.

ITEMS

1. Software licenses
2. User interface software
3. Modeling software
4. Database software
5. Tracking and monitoring software
6. Energy Management System (EMS) software
7. Supervisory Control and Data Acquisition (SCADA) system software
8. Evaluation and assessment system software
9. Operating, planning and transaction scheduling software
10. Reliability applications
11. Market application software

**384 Communication equipment.**

This account shall include the cost of communication equipment owned and used to acquire or share data and information used to control and dispatch the system.

ITEMS

1. Fiber optic cable
2. Remote terminal units
3. Microwave towers
4. Global Positioning System (GPS) equipment
5. Servers
6. Workstations
7. Telephones

**385 Miscellaneous regional transmission and market operation plant.**

This account shall include the cost of regional transmission and market operation plant and equipment not provided for elsewhere.

**386 Asset retirement costs for regional transmission and market operation plant.**



Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

This account shall include asset retirement costs on regional control and market operation plant and equipment.

**Electric Plant Chart of Accounts,**

5. General Plant, is redesignated as 6. General Plant, and a new Account 399.1 was added.

399.1 Asset retirement costs for general plant.

**Operating Revenue Chart of Accounts**

New Accounts 456.1, 457.1 and 457.2 were added.

**2. OTHER OPERATING REVENUES**

456.1 Revenues from transmission of electricity of others.

457.1 Regional transmission service revenues.

457.2 Miscellaneous revenues.

**Income Accounts, Account 456**

Item 5 is removed, and Item 6 is redesignated as Item 5.

~~5. Revenues from transmission of electricity of others over transmission facilities of the utility.~~

6. ~~5.~~ Include in a separate subaccount revenues in payment for rights and/or benefits received from others which are realized through research, development, and demonstration ventures. In the event the amounts received are so large as to distort revenues for the year in which received (5 percent of net income before application of the benefit) the amounts shall be credited to Account 253, Other Deferred Credits, and amortized by credits to this account over a period not to exceed 5 years.

**Operating Revenue Accounts**

New revenue accounts 456.1, 457.1, and 457.2 were added.

456.1 Revenues from transmission of electricity of others.

This account shall include revenues from transmission of electricity of others over transmission facilities of the utility.

457.1 Regional transmission service revenues.

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

This account shall include revenues derived from providing scheduling, system control and dispatching services. Include also in this account reimbursements for system planning, standards development, and market monitoring and market compliance activities. Records shall be maintained so as to show: (1) the services supplied and revenues received from each customer and (2) the amounts billed by tariff or specified rates.

**457.2 Miscellaneous revenues.**

This account shall include revenues and reimbursements for costs incurred by regional transmission service providers not provided for elsewhere. Records shall be maintained so as to show: (1) the services supplied and revenues received from each customer, and (2) the amounts billed by tariff or specified rates.

**Operation and Maintenance Expense Chart of Accounts**

A new Regional Market Expenses function was added and new Accounts 575.1, 575.2, 575.3, 575.4, 575.5, 575.6, 575.7, 575.8, 576.1, 576.2, 576.3, 576.4 and 576.5 were added.

**3. REGIONAL MARKET EXPENSES**

**Operation**

575.1 Operation Supervision

575.2 Day-ahead and real-time market administration.

575.3 Transmission rights market administration.

575.4 Capacity market administration.

575.5 Ancillary services market administration.

575.6 Market monitoring and compliance

575.7 Market administration, monitoring and compliance services

575.8 Rents

**Maintenance**

576.1 Maintenance of structures and improvements

576.2 Maintenance of computer hardware

576.3 Maintenance of computer software

576.4 Maintenance of communication equipment

576.5 Maintenance of miscellaneous market operation plant

**Operation and Maintenance Expense Chart of Accounts**

3. Distribution Expenses is redesignated as 4. Distribution Expenses;

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

- 4. Customer Accounts Expenses is redesignated as 5. Customer Accounts Expenses;
- 5. Customer Service and Informational Expenses is redesignated as 6. Customer Service and Informational Expenses;
- 6. Sales Expense is redesignated as 7. Sales Expenses; and
- 7. Administrative and General Expenses is redesignated as 8. Administrative and General Expenses.

**3. 4. DISTRIBUTION EXPENSES**

**4. 5. CUSTOMER ACCOUNTS EXPENSES**

**5-6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES**

**6.7. SALES EXPENSES**

**7-8. ADMINISTRATIVE AND GENERAL EXPENSES**

**Operation and Maintenance Expense Chart of Accounts**

The listing of transmission expenses is removed and replaced with a list of accounts.

**2. TRANSMISSION EXPENSES**

**Operation**

- 560 Operation supervision and engineering
- 561.1 Load dispatch-Reliability
- 561.2 Load dispatch-Monitor and operate transmission system.
- 561.3 Load dispatch-Transmission service and scheduling.
- 561.4 Scheduling, system control and dispatch services.
- 561.5 Reliability planning and standards development.
- 561.6 Transmission service studies.
- 561.7 Generation interconnection studies.
- 561.8 Reliability planning and standards development services
- 562 Station expenses (Major only).
- 563 Overhead line expenses (Major only).
- 564 Underground line expenses (Major only).
- 565 Transmission of electricity by others (Major only).
- 566 Miscellaneous transmission expenses (Major only).
- 567 Rents.
- 567.1 Operation supplies and expenses (Nonmajor only).

**Maintenance**

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

- 568 Maintenance supervision and engineering (Major only).
- 569 Maintenance of structures (Major only).
- 569.1 Maintenance of computer hardware.
- 569.2 Maintenance of computer software.
- 569.3 Maintenance of communication equipment.
- 569.4 Maintenance of miscellaneous regional transmission plant.
- 570 Maintenance of station equipment (Major only).
- 571 Maintenance of overhead lines (Major only).
- 572 Maintenance of underground lines (Major only).
- 573 Maintenance of miscellaneous transmission plant (Major only).
- 574 Maintenance of transmission plant (Nonmajor only).

#### **Operation and Maintenance Expense Account 556**

The first paragraph of Account 556 instruction is revised to read as follows:

#### **Account 556 System control and load dispatching (Major only).**

This account shall include the cost of labor and expenses incurred in load dispatching activities for system control. Utilities having an interconnected electric system or operating under a central authority which controls the production and dispatching of electricity may apportion these costs to this account and ~~accounts~~ transmission expense Accounts 561.1 through 561.4, and Account 581, Load Dispatching- Distribution.

#### **Operation and Maintenance Expense Account 561**

Account 561, Load Dispatching (Major only) is removed.

#### **Operation and Maintenance Expense Accounts**

New expense accounts 561.1, 561.2, 561.3, 561.4, 561.5, 561.6, 561.7, 561.8, 569.1, 569.2, 569.3, 575.1, 575.2, 575.3, 575.4, 575.5, 575.6, 575.7, 575.8, 576.1, 576.2, 576.3, 576.4 and 576.5 were added.

#### **561.1 Load dispatch-Reliability.**

This account shall include the cost of labor, materials used and expenses incurred by a regional transmission service provider or other transmission provider to manage the reliability coordination function as specified by the North American Electric Reliability Council (NERC) and individual reliability organizations. These activities shall include performing current and next day reliability analysis. This account shall include the costs incurred to calculate load forecasts, and performing contingency analysis.

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

**561.2 Load dispatch-Monitor and operate transmission system.**

This account shall include the costs of labor, materials used and expenses incurred by a regional transmission service provider or other transmission provider to monitor, assess and operate the power system and individual transmission facilities in real-time to maintain safe and reliable operation of the transmission system. This account shall also include the expense incurred to manage transmission facilities to maintain system reliability and to monitor the real-time flows and direct actions according to regional plans and tariffs as necessary.

**ITEMS**

1. Receive and analyze outage requests
2. Reschedule outage plans
3. Monitor solution quality field data values, providing model updates to NERC and coordinating network model changes across all systems
4. Conduct operating training related to NERC certification
5. Monitor generation resources and communicate expected dispatch actions
6. Ensure ancillary service requirements are met
7. Directing switching
8. Controlling system voltages
9. Obtaining reports on the weather and special events
10. Preparing operating reports and data for billing and budget purposes

**561.3 Load dispatch-Transmission service and scheduling.**

This account shall include the costs of labor, materials used and expenses incurred by a regional transmission service provider or other transmission provider to process hourly, daily, weekly and monthly transmission service requests using an automated system such as an Open Access Same-Time Information System (OASIS). It shall also include the expenses incurred to operate the automated transmission service request system and to monitor the status of all scheduled energy transactions.

**561.4 Scheduling, system control and dispatching services.**

This account shall include the costs billed to the transmission owner, load serving entity or generator for scheduling, system control and dispatching service. Include in this account service billings for system control to maintain the reliability of the transmission area in accordance with reliability standards.

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

maintaining defined voltage profiles, and monitoring operations of the transmission facilities.

**561.5 Reliability, planning and standards development.**

This account shall include the cost of labor, materials used and expenses incurred for the system planning of the interconnected bulk electric transmission systems within a planning authority area.

**ITEMS**

1. Developing and maintaining transmission system models to evaluate transmission system performance.
2. Maintaining and applying methodologies and tools for the analysis and simulation of the transmission systems for the assessment and development of transmission expansion plans.
3. Assessing, developing and documenting transmission expansion plans.
4. Maintaining transmission system models (steady-state, dynamics, and short circuit).
5. Collecting transmission information and transmission facility characteristics and ratings.
6. Notifying participants of any planned transmission changes that may impact their facilities.
7. Developing and reporting on transmission expansion plans for assessment and compliance with reliability standards.
8. Developing reliability standards for the planning and operation of the interconnected bulk electric transmission systems that serve the United States, Canada, and Mexico.
9. Developing criteria and certification procedures for reliability authorities, transmission operators and others.
10. Outside services employed

Note: The cost of supervision, customer records and collection expenses, administrative and general salaries, office supplies and expenses, property insurance, injuries and damages, employee pension and benefits, regulatory commission expenses, general advertising, and rents shall be charged to the customer accounts, service, and administrative and general expense accounts contained in the Uniform System of Accounts.

**561.6 Transmission service studies.**

This account shall include the cost of labor, materials used and expenses incurred to conduct transmission services studies for proposed interconnections with the transmission system. Detailed records shall be maintained for each study undertaken and all reimbursements received for conducting such a study.

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

**561.7 Generation interconnection studies.**

This account shall include the cost of labor, materials used and expenses incurred to conduct generation interconnection studies for proposed interconnections with the transmission system. Detailed records shall be maintained for each study undertaken and all reimbursements received for conducting such a study.

**561.8 Reliability planning and standards development services.**

This account shall include the costs billed to the transmission owner, load serving entity, or generator for system planning of the interconnected bulk electric transmission system. Include also the costs billed by the regional transmission service provider for system reliability and resource planning to develop long-term strategies to meet customer demand and energy requirements. This account shall also include fees and expenses for outside services incurred by the regional transmission service provider and billed to the load serving entity, transmission owner or generator.

**569.1 Maintenance of computer hardware.**

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of computer hardware serving the transmission function.

**569.2 Maintenance of computer software.**

This account shall include the cost of labor, materials used and expenses incurred for annual computer software license renewals, annual software update services and the cost of ongoing support for software products serving the transmission function.

**ITEMS**

1. Telephone support
2. Onsite support
3. Software updates and minor revisions

**569.3 Maintenance of communication equipment.**

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of communication equipment serving the transmission function.

**569.4 Maintenance of miscellaneous regional transmission plant.**

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of miscellaneous regional transmission plant serving the transmission function.

**575.1 Operation Supervision.**

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the regional energy markets.

**575.2 Day-ahead and real-time market administration.**

This account shall include the cost of labor, materials used and expenses incurred to facilitate the Day-Ahead and Real-Time markets. This account shall also include the costs incurred to manage the real-time deployment of resources to meet generation needs and to provide capacity adequacy verification. Include in this account the costs incurred to maintain related sections of the tariff, market rules, operating procedures, and standards and coordinating with neighboring areas.

**ITEMS**

1. Consultant fees and expenses
2. System record and report forms
3. Meals, traveling and incidental expenses

Note: The cost of supervision, customer records and collection expenses, administrative and general salaries, office supplies and expenses, property insurance, injuries and damages, employee pension and benefits, regulatory commission expenses, general advertising, and rents shall be charged to the customer accounts, service, and administrative and general expense accounts contained in the Uniform System of Accounts.

**575.3 Transmission rights market administration.**

This account shall include the cost of labor, materials used and expenses incurred to manage the allocation and auction of transmission rights.

**575.4 Capacity market administration.**

This account shall include the cost of labor, materials used and expenses incurred to manage the allocation of capacity rights.

**575.5 Ancillary services market administration.**



Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

This account shall include the cost of labor, materials used and expenses incurred to manage all other ancillary services market functions.

**575.6 Market monitoring and compliance.**

This account shall include the cost of labor, materials used and expenses incurred to review market data and operational decisions for compliance with market rules. It shall also include the costs incurred to interface with external market monitors.

**575.7 Market administration, monitoring and compliance services.**

This account shall include the costs billed to the transmission owner, load serving entity or generator for market administration, monitoring and compliance services.

**575.8 Rents.**

This account shall include all rents of property of others used, occupied, or operated in connection with market administration and monitoring. (See operating expense instruction 3.)

**576.1 Maintenance of structures and improvements.**

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures used in market administration and monitoring. (See operating expense instruction 2.)

**576.2 Maintenance of computer hardware.**

The account shall include the cost of labor, materials used and expenses incurred in the maintenance of computer hardware used in market administration and monitoring.

**576.3 Maintenance of computer software.**

This account shall include the cost of labor, materials used and expenses incurred for annual computer software license renewals, annual software update services and the cost of ongoing support for software products used in market administration and monitoring.

**ITEMS**

1. Telephone support
2. Onsite support
3. Software updates and minor revisions

Changes in the Electric USOA, 18 CFR 101  
that adopt the language changes from FERC Order Nos. 668 and 668-A

**576.4 Maintenance of communication equipment.**

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of communication equipment used in market administration and monitoring.

**576.5 Maintenance of miscellaneous market operation plant.**

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of miscellaneous market operation plant used in market administration and monitoring.